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COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, JUNE 25, 2002

PETITION OF

VERIZON SOUTH INC.

CASE NO. PUC-2001-00220

For Extended Local Service from
Verizon South Inc.'s Jewell Ridge
Exchange to its Big Prater, Richlands,
and Tazewell Exchanges and to Verizon
Virginia Inc.'s Davenport, Honaker,
and Lebanon Exchanges

ORDER PRESCRIBING NOTICE

On February 22, 2001, telephone customers in Verizon South Inc.'s ("Verizon South") Jewell Ridge Exchange petitioned the State Corporation Commission ("Commission") for local calling to Verizon South's Big Prater, Richlands, and Tazewell Exchanges and Verizon Virginia Inc.'s ("Verizon Virginia") Davenport, Honaker, and Lebanon Exchanges. On October 24, 2001, the Commission Staff accepted a cost study from Verizon South that was used to estimate the approximate change in monthly rates that would result from the extension of local calling.

On November 30, 2001, the Commission issued an Order

Directing Poll, which required Verizon South to determine

whether a majority of those customers in the Jewell Ridge

Exchange were willing to pay increased rates for local calling

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to the Big Prater, Richlands, and Tazewell Exchanges of Verizon South and to the Davenport, Honaker, and Lebanon Exchanges of Verizon Virginia. On February 1, 2002, the certified results of the balloting, which favored the extended calling plan, were received.

A cost study has now been conducted to determine the monthly rates for reciprocal extended local calling from the Verizon South Exchange of Big Prater¹ and the Verizon Virginia exchanges of Davenport, Honaker, and Lebanon to the Jewell Ridge Exchange. Because the resulting rate increase for one-party residential customers does not exceed five percent (5%) of the existing monthly one-party residential flat rate for these reciprocal calling exchanges, a poll of these customers is not required pursuant to § 56-484.2 of the Code of Virginia.

NOW UPON CONSIDERATION of the Petition, the poll conducted by Verizon South, the cost studies submitted by Verizon South, and § 56-484.2 of the Code of Virginia, the Commission is of the opinion that Verizon South and Verizon Virginia should give notice of the proposed extension of local service to their customers in the Big Prater, Davenport, Honaker, and Lebanon

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¹ Although the Jewell Ridge Exchange petitioners included Tazewell and Richlands in their petition, Jewell Ridge has existing ELS with the exchanges of Tazewell and Richlands. Such exchanges were not, therefore, included in the cost study, original ballot, or this Order.

Exchanges; and that those customers should be permitted to file comments and requests for hearing.

Accordingly, IT IS ORDERED THAT:

(1) On or before July 12, 2002, Verizon South and Verizon Virginia shall publish the following notice in the exchanges of Big Prater, Davenport, Honaker, and Lebanon twice as display advertising (not classified advertising) in newspapers of general circulation in each exchange:

NOTICE THAT VERIZON SOUTH INC. AND
VERIZON VIRGINIA INC. PROPOSE TO EXTEND
LOCAL SERVICE FROM THE EXCHANGES OF
BIG PRATER, DAVENPORT, HONAKER, AND LEBANON TO
THE JEWELL RIDGE EXCHANGE
CASE NO. PUC-2001-00220

Telephone customers in Verizon South Inc.'s ("Verizon South") Jewell Ridge Exchange petitioned the Virginia State Corporation Commission ("Commission") for extended local calling to Verizon South's Big Prater Exchange and Verizon Virginia Inc.'s ("Verizon Virginia") Davenport, Honaker, and Lebanon Exchanges. Subscribers in the Jewell Ridge Exchange were polled regarding their willingness to pay increased monthly rates for extended local calling to those exchanges. The majority of the subscribers responding in the Jewell Ridge Exchange supported this extension of local service.

Based upon Verizon South's cost study, the Commission has determined that the increase in monthly rates for customers in the Big Prater Exchange to call the Jewell Ridge Exchange would increase as follows: residential flat rate service, \$.02; residential usage sensitive service, \$.01;

business flat rate service, \$.04; business measured rate service, \$.02; and business flat rate trunk service, \$.04.

Based on Verizon Virginia's cost study, the Commission has determined that the increase in monthly rates for local service for customers in the Lebanon Exchange to call the Jewell Ridge Exchange would be as follows: residential flat rate service, \$.01; residential exchange only service, \$.01; residential message rate service, \$.01; residential measured rate service, \$.01; business flat rate service, \$.03; business message rate service, \$.01; business message rate service, \$.01; business measured rate service, \$.01; PBX trunk flat rate service, \$.04; PBX trunk message rate service, \$.01; and PBX trunk measured rate service, \$.01.

For the Davenport Exchange, the increase in monthly rates for local service to the Jewell Ridge Exchange would be as follows: residential flat rate service, \$.07; residential exchange only service, \$.06; residential measured rate service, \$.05; residential message rate service, \$.05; business flat rate service, \$.25; business message rate service, \$.07; business measured rate service, \$.07; PBX trunk flat rate service, \$.38; PBX trunk message rate service, \$.07; and PBX trunk measured rate service, \$.07.

For the Honaker Exchange, the increase in monthly rates for local service to the Jewell Ridge Exchange would be as follows: residential flat rate service, \$.03; residential exchange only service, \$.02; residential message rate service, \$.02; residential measured rate service, \$.02; residential economy rate service, \$.01; business flat rate service, \$.10; business message rate service, \$.03; business measured rate service, \$.03; PBX trunk flat rate service, \$.15; PBX trunk message rate

service, \$.03; and PBX measured rate service, \$.03.

Customers whose rates are not listed above, or who desire more information on this proposed change, should contact the appropriate Verizon customer service center. Verizon South's Big Prater Exchange residential customers should call 1-800-483-4000. Business customers should call 1-800-483-4000. Verizon Virginia's Davenport, Honaker, and Lebanon residential customers should call 954-6222. Business customers should call 954-6888.

Copies of Verizon South's poll results may be obtained by contacting the customer service center at the telephone number listed above. Copies of the poll results and the Commission's Orders in this case may also be reviewed at the Commission's Document Control Center located on the first floor of the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219.

Customers wishing to comment on the proposed change to their local calling area, or to request a hearing on the petition, may do so by filing such requests or comments in writing with the Clerk of the Commission, Joel H. Peck, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218, on or before August 23, 2002. Any such filing should refer to Case No. PUC-2001-00220.

The Commission shall convene a hearing on the proposed extension of the local calling area if at least the lesser of five percent or 150 customers within the Big Prater, Davenport, Honaker, and Lebanon Exchanges request a hearing; otherwise, the Commission may consider the request without convening a hearing.

VERIZON SOUTH INC. AND VERIZON VIRGINIA INC.

- (2) On or before August 2, 2002, Verizon South and Verizon Virginia shall provide proof of the notice required above.
- (3) On or before August 23, 2002, Verizon South and Verizon Virgnia customers who may be affected by this proposal may file with the Clerk of the Commission written comments or requests for hearing on the proposed increase that will result from the extension of local calling. Any corporation shall be represented by counsel in accordance with 5 VAC 5-20-30 of the Commission's Rules of Practice and Procedure ("Rules").

 Corporations and individuals shall file in accordance with 5 VAC 5-20-150 of the Rules an original and fifteen (15) copies of any comments or requests for hearing on or before the above-referenced date. All comments or requests for hearing shall be filed with Joel H. Peck, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218, and shall refer to Case No. PUC-2001-00220.
- (4) A copy of this Order and the results of Verizon South's poll shall be made available for public inspection at the Commission's Document Control Center located on the first floor of the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, from 8:15 a.m. to 5:00 p.m., Monday through Friday. Upon customer request, the results of Verizon South's poll shall be furnished by Verizon South's customer service center.

- (5) The Commission shall convene a hearing on the proposed extension of the local calling area if at least the lesser of five percent or 150 of the customers within the Big Prater, Davenport, Honaker, and Lebanon Exchanges request a hearing; otherwise, the Commission may consider the petition without convening a hearing.
- (6) On or before September 6, 2002, the Division of Communications shall file a report with the Commission on any comments received.
- (7) This matter is continued for further orders of the Commission.